

**RENEWABLE ENERGY PORTFOLIO STANDARD**

**225 CMR 14.00**

**RESPONSE TO THE REPORT  
OF  
THE JOINT COMMITTEE ON ENERGY**

**March 12, 2002**

**Division of Energy Resources**

**David O'Connor, Commissioner**

## **Introduction**

The Massachusetts Division of Energy Resources (the Division) has made final changes to the Renewable Portfolio Standard (RPS) Regulations pursuant to the 1997 Electric Utility Industry Restructuring Act (the Act), 225 CMR 14.00. On February 6, 2002 the Division submitted the Final Proposed Regulations for the RPS to the Joint Committee on Energy (the Committee). Pursuant to MGL Chapter 25A § 12, the Committee presented the Division with a Report on the Proposed Final Draft in the form of a letter dated March 6, 2002.

This document provides an explanation of the Division's responses to the three issues raised in the Committee's report.

- Advanced biomass power conversion technologies
- Minimum requirement for air pollution permits for new biomass generation units
- Report RPS non-compliance to the DTE

In addition, this document identifies technical corrections made to the Regulations during the period February 6, 2002 to March 12, 2002.

The RPS Regulations will take effect upon filing with the Office of the Secretary of State (the "effective date"). Filing will occur on or about April 16, 2002. The RPS Regulations and other associated documents are available to the public at the Division's website: [www.mass.gov/doer](http://www.mass.gov/doer).

## **ADVANCE BIOMASS POWER CONVERSION TECHNOLOGIES**

**COMMITTEE REPORT:** The Committee specifically requested that DOER change the language of 225 CMR 14.06 (1) and (2) to read as follows:

6. Low-emission, advanced biomass power conversion technologies using an Eligible Biomass Fuel. A Generation Unit may qualify as a New Renewable Generation Unit, provided it uses an Eligible Biomass Fuel, subject to the limitations set forth herein. Pile burn, stoker combustion or similar technologies shall not constitute an advanced biomass conversion technology.

**RESPONSE:** The Division incorporated the requested change.

## **MINIMUM REQUIREMENTS FOR VALID AIR PERMITS FOR NEW BIOMASS GENERATION UNITS**

**COMMITTEE REPORT:** The Committee requested that the Division consider a requirement that any Valid Air Permit used as the basis of a Statement of Qualification for a new biomass Generation Unit “be at least consistent with the standard for emissions of a comparable biomass unit in the Commonwealth.”

**RESPONSE:** DOER has addressed the Committee’s request by changing 225 CMR 14.06 (1) (a) 6a to read as follows:

- a. A Generation Unit with a Commercial Operation Date after December 31, 1997, that requires an air permit, must possess a Valid Air Permit issued after December 31, 1997, and demonstrate to the satisfaction of the Division that its emission rates are consistent with emission rates for comparable biomass units as prescribed by the Massachusetts Department of Environmental Protection.

## **REPORTING OF RPS NON-COMPLIANCE TO DTE**

**COMMITTEE REPORT:** The Committee requested that in the first sentence of 225 CMR 14.13 (4) the word “may” be changed to read “shall.”

**RESPONSE:** DOER has addressed the Committee’s request by changing 225 CMR 14.13 (4) to read as follows:

- (4) Suspension or Revocation of License. The Division shall refer its findings of non-compliance to the Department of Telecommunications and Energy. A Retail Electricity Supplier that fails to comply with 225 CMR

14.00 may be subject to the Department of Telecommunications and Energy Licensure Action(s) under 220 CMR 11.07 (4) (c) (1).

## TECHNICAL CHANGES

### *Clarification of the term “electricity”*

The term "electricity" where it appeared has been replaced with "electrical energy" where appropriate. “Electricity” is a term of art that can imply a number of products in addition to “electrical energy.” For clarity, therefore, “electrical energy” is used where appropriate. The word "electricity" is preserved for the terms: "Retail Electricity Supplier", Retail Electricity Product", and “Retail Electricity Sales.”

### *Clarification of drafting*

Under 225 CMR 14.10 (2), Retail Electricity Suppliers wishing to take advantage of the early compliance option would have been required to provide DOER with product sales data for 2002. The Division did not intend to impose this requirement. Not only is this information not necessary to determine compliance, but gathering it could be a costly barrier to use of this voluntary compliance option in the year prior to the first Compliance Year. The Regulations now read as follows:

(2) Early Compliance Filing. A Retail Electricity Supplier that anticipates claiming 2002 New Renewable Generation Attributes for purposes of compliance in 2003 under the Early Compliance provisions of 225 CMR 14.09 (2) shall submit to the Division an Early Compliance Filing no later than July 1, 2003. Such Attributes shall be reported in the Filing pursuant to the documentation requirements of 225 CMR 14.10 (1) (c).